XII UPDATE

Updating the ITCG on XBRL International Developments

John Dill
Member of the XII Board of Directors
April 21, 2015

XBRL ™
THE BUSINESS REPORTING STANDARD

EXECUTIVE SUMMARY

- The XII Board holds the view that there continues to be significant work to do at a technical and implementation guidance perspective in order to further improve regulatory reporting. It is also time for the XBRL community to turn its attention towards discovering the value associated with standardization in the context of enterprise reporting.

- XII is working on a number of fronts to expand the capabilities of the standard, enhance the XBRL brand, explore new areas for adoption, provide guidance to implementers and enhance the membership and funding base of the XBRL consortium.

- The XBRL community and staff stand ready to assist the ITCG in its efforts in this field.

XBRL™
THE BUSINESS REPORTING STANDARD

What is the XBRL consortium for?

Improve accountability and transparency – purpose of any act of record keeping.

Our purpose is to **improve the accountability and transparency of business performance everywhere**, by being **the open data exchange standard** for **business reporting**.

("Open" in the sense that the standard is freely licensed. It does not <u>necessarily</u> mean that data collected is openly available, even though this is a trend. Much will always remain private.)

Business performance itself – not just reporting

("Business" meaning <u>every</u> kind of organization, including government, regulators, corporations, not-for-profits and supply chains)

We are the open data exchange standard for business reporting – that's how we improve business performance.

XBRL
THE BUSINESS REPORTING STANDARD

Regulatory Reporting

XII develops and maintains the specifications and promotes adoption, including via jurisdictions.

10 million + businesses use XBRL for reporting today.

15 years in XBRL is an important part of the reporting landscape, but we are still at the beginning of the process of moving to structured data exchange in this field.

The "First Chapter" in XBRL

- Regulatory reporting, including regulatory reporting to securities regulators and business registrars via XBRL is extremely well established world wide.

- 90-100* projects across more than 45 countries.

- > ~10M companies use XBRL at least annually around the world and this continues to grow.

- XBRL is the embedded standard, but XII is keenly aware that the community needs to continue to improve and simplify what has been achieved to date in order to enhance outcomes and further expand adoption.

* XII has not had the resources to collaborate effectively with the IFRS team on its current Jurisdictional survey. However staff are currently working to carry out a survey and interviews via an intern, which should improve the accuracy of these estimates.

The Next Chapter

Big Data capabilities mean that the entire enterprise can benefit from XBRL-based standardization of transactional and ledger level data.

Requires additional standardization and lengthy ecosystem development period.

Enterprise Reporting – the "Second Chapter" in XBRL

- Developments in "Big Data" technology now make it practical to leverage the benefits of data standardization at a transactional or ledger level.

- Standardized transactional data streams allow preparation of reports in near real time.

- We are at the *very* earliest implementations in this field but this is likely the area that XBRL will next focus on.

- Likely to be a 10 year effort.

- **IFRS and other primary taxonomies a key part of the puzzle.**

XBRL
THE BUSINESS REPORTING STANDARD

Some Current Initiatives

OIM to make XBRL more accessible for developers, initially for analysis.

Open Information Model, or OIM
- Simplify representation of XBRL.
- Initially, provide way of republishing data in alternative formats to assist analytics.

Body of Knowledge designed to expand skills

Body of Knowledge
- Develop formal framework providing implementation and technical guidance.
- Supports training and certification.

Detailed guidance to support projects

Other guidance
- Detailed dimensions guidance via WG note.
- Ongoing taxonomy architecture guidance.
- Detailed extensible enumerations guidance.

XBRL
THE BUSINESS REPORTING STANDARD

Taxonomy Registry

Taxonomy registry to supersede taxonomy recognition.

Might be an area for IFRS collaboration.

XBRL International Taxonomy Architecture Guidance continues to expand and we expect Taxonomy Recognition to resume in the future.

Taxonomy Registry
- Provide central index of XBRL taxonomies
- Encourage reuse and discovery

- XII has long run a "Taxonomy Recognition" program, but the mechanics and supporting guidance are now outdated.

- XII is replacing Recognition with a Taxonomy Registry, which will provide a central index of taxonomies (and where relevant, links to data repositories that conform to those taxonomies).

- **This might be an area that the ITCG could get involved in – National IFRS extensions might be of specific interest to the IASB and we could work towards an index or view for these purposes.**

XBRL
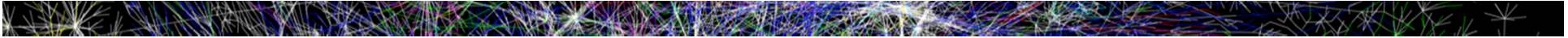THE BUSINESS REPORTING STANDARD

Funding Initiative

Funding initiative

- **Expand the capabilities of XBRL.**
- **Increased financial resilience.**

- In order to expand the capabilities of the standard and in order to make the consortium's financial position more resilient, the XBRL Board will shortly commence a fundraising program.

- Funding will accelerate a number of initiatives, including the "Body of Knowledge".

- Further updates will be provided as we move forward.

XBRL
THE BUSINESS REPORTING STANDARD

QUESTIONS